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ATTACHMENT 3

NEBCON PARTNERSHIP AGREEMENT

This Agreement is made and entered into as of the 1st day of May, 1992 by and between Consolidated Telephone Company, 6900 Van Dorn Street, Suite 21, Lincoln, Nebraska and The Nebraska Central Telephone Co., 22 LaBarre Street, P. O. Box 700, Gibbon, Nebraska 68840 (hereinafter collectively sometimes referred to as the "Partners").

WHEREAS, the Partners desire to form a General Partnership (hereinafter referred to as the "Partnership"), for the term and upon the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, it is agreed by and among the Partners as follows:

Article I. - Basic Structure

Section 1.1 Form. The Partners hereby form a General Partnership pursuant to the Nebraska Uniform Partnership Act.

Section 1.2 Name. The business of the Partnership shall be conducted under the name NEBCON Partnership, a General Partnership.

Section 1.3 Place of Business. The principal office and place of business of the Partnership shall be located at 22 LaBarre Street, P. O. Box 700, Gibbon, Nebraska 68840, or such other place as the Partners may from time to time designate.

Section 1.4 Term. The Partnership shall commence on May 1, 1992, and shall continue for twenty (20) years thereafter, unless earlier terminated (a) pursuant to this Agreement, (b) pursuant to the Nebraska Uniform Partnership Act, or (c) by withdrawal, resignation or expulsion of all of the then Partners.

Section 1.5 Purpose. The purpose for which the Partnership is organized is to own and operate fiber optic telecommunications cable facilities (the "Facilities") which may be leased by the Partners or by third parties for use in connection with the provision of telecommunications services to the public, or for private use at rates to be established by the Partnership, and to do such other business as may be agreed upon by the Partners and permitted by the Nebraska Uniform Partnership Act.

Article II - Financial Arrangements

Section 2.1 Initial Contribution by Each Partner. Each Partner has contributed to the initial capital of the Partnership the amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00). Capital contributions to the Partnership shall not earn interest. An individual capital account shall be maintained for each Partner.

Section 2.2 Additional Capital Contributions. If at any time during the existence of the Partnership it shall become necessary to increase the capital with which the Partnership is doing business, upon the vote of a majority of the Partners, and within thirty (30) days after notice of such need for additional

capital is provided by the Managing Partner, each Partner shall contribute in equal portions that amount of additional capital as has been approved by majority vote of the Partners.

Section 2.3 Percentage Share of Profits and Capital.

Unless otherwise modified by agreement of a majority of the Partners, each Partner's share of the profits and capital of the Partnership shall be fifty percent (50%).

Section 2.4 Interest. No interest shall be paid on any contribution to the capital of the Partnership.

Section 2.5 Return of Capital Contribution. No Partner shall have the right to demand the return of its capital contribution except as herein provided.

Section 2.6 Rights of Priority. Except as herein provided, the individual Partners shall have no right to any priority over one another as to the return of capital contributions.

Section 2.7 Distributions. Distributions to the Partners of any net operating profits of the Partnership, as hereinafter defined, shall be made at such times as a majority of the Partners shall reasonably agree. Such distributions shall be made to the Partners simultaneously. For purposes of this Agreement, net operating profit for any accounting period shall mean the gross revenue received by the Partnership for such period, less the sum of all cash expenses of operation of the Partnership, and such sums as may be necessary to establish a reserve for operating expenses.

Section 2.8 Compensation. No Partner shall be entitled to receive any compensation from the Partnership, unless approved by the affirmative vote of a majority of the Partners.

Article III - Management

Section 3.1 Managing Partner. The Managing Partner shall be The Nebraska Central Telephone Co.

Section 3.2 Voting. The Managing Partner shall have the right to vote as to the management and conduct of the business of the Partnership according to its then percentage share of capital. Unless otherwise required herein or pursuant to the Nebraska Uniform Partnership Act, the majority vote of the Partners shall control.

Section 3.3 Management of Operations. The Managing Partner shall make provisions for the installation and maintenance of the Facilities according to specifications as shall be approved by majority vote of the Partners. The Managing Partner shall further establish such bank accounts as may be necessary to hold the capital and profits of the Partnership. The Managing Partner shall also have the right and duty to obtain necessary insurance coverages to insure the property of the Partnership against casualty loss. (It is expressly understood and agreed by each of the Partners that each such Partner may obtain such general liability and other insurance coverages as it may deem necessary and appropriate to insure itself against loss in connection with the operation of the Facilities). Notwithstanding any term of

this Agreement to the contrary, the Partnership agrees to indemnify and hold The Nebraska Central Telephone Co. harmless from and against any losses due to costs associated with the operation of the Facilities.

Section 3.4 Priority of Use of Partnership Property. Each of the Partners shall have equal right to lease from the Partnership that portion of the capacity of the Facilities not subject to lease to third parties; provided, however, that the rates for such lease of capacity shall be at rates which shall have been approved by majority vote of the Partners.

Article IV - Dissolution

Section 4.1 Dissolution. In the event that the Partnership shall hereafter be dissolved for any reason whatsoever, a full and general account of its assets, liabilities and transactions shall at once be taken. Such assets may be sold and turned into cash as soon as possible and all debts and other amounts due the Partnership shall be collected. The proceeds thereof shall thereupon be applied as follows:

(A) To discharge the debts and liabilities of the Partnership and expenses of liquidation;

(B) To pay each Partner or his legal representative any amount to which such Partner shall then be entitled and in addition, to repay to any Partner its capital contributions in excess of its original contribution;

(C) To divide the surplus, if any, among the Partners or their representative in proportion to their percentage share of profits and capital as set forth in Section 2.3 hereinabove.

Section 4.2 Right to Demand Property. No Partner shall have the right to demand or receive property in kind for its distribution.

Article V - Miscellaneous

Section 5.1 Accounting Year, Books and Statements. The Partnership's fiscal year shall commence on January 1 of each year and shall end on December 31 of each year. Full and accurate books of account shall be kept at such place as the Managing Partner may from time to time designate, showing the condition of the business and finances of the Partnership, and each Partner shall have access to such books of account and shall be entitled to examine them at any time during ordinary business hours. At the end of each year, the Managing Partner shall cause to be prepared a Balance Sheet setting forth the financial position of the Partnership as of the end of that year and a Statement of Operations (income and expenses) for that year. A copy of the Balance Sheet and the Statement of Operations shall be delivered to each Partner as soon as it is available.

Each Partner shall be deemed to have waived all objections to any transaction or other facts about the operation of the Partnership disclosed in such Balance Sheet or Statement of

Operations unless it shall have notified the Managing Partner in writing of its objections within thirty (30) days of the date on which such statements are mailed.

Section 5.2 Banking. The Partnership shall maintain a bank account or bank accounts in the Partnership's name in a national or state bank in the State of Nebraska. Checks and drafts shall be drawn on the Partnership's bank account for the Partnership purposes only and shall be signed by the Managing Partner or its designated agent.

Section 5.3 Section Headings. Headings of the sections are placed herein for convenient reference only and shall not, to any extent, have the effect of modifying, amending or changing the express terms and provisions of this Partnership Agreement.

Section 5.4 Execution and Counterpart. This Partnership Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original.

Section 5.5 Severability. In the event any parts of this Agreement are found to be void, the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though the void portions hereof were deleted.

Section 5.6 Effective Date. This Agreement shall be effective only upon execution by all of the Partners.

Section 5.7 Waiver and Modification. No waiver or modification of this Agreement shall be valid unless in writing and signed by the Partners.

Section 5.8 Applicable Law. This Agreement shall be subject to and governed by the laws of the State of Nebraska.

Section 5.9 Assignment. This Agreement shall be binding upon and inure to the benefit of the Partners and each of their respective legal representatives, successors and assigns. This Agreement shall not be assigned by any Partner without the consent of all remaining Partners.

CONSOLIDATED TELEPHONE COMPANY

By: 

Title: Sec.

THE NEBRASKA CENTRAL TELEPHONE CO.

By: 

Title: President

ATTACHMENT 4

To <u>Andy Jaeger</u>	Da. <u>1/30/98</u>	# of pages <u>5</u>
Co./Dept.	From	
Phone #	Co.	
Fax # <u>308-465-9929</u>	Phone #	
	Fax #	

or Schools and Libraries

Receipt of Service Confirmation Form

Estimated Average Burden Hours Per Response: 1.5 hours

Please read instructions before completing. To be completed by Schools and Libraries or Consortia.)

Form 486 Application Number 8802224

(unique identifying number assigned by applicant)

Block 1: Applicant Information

1. Name of Billed Entity Applicant (required)

Sandhills Technology & Telecom2. Billed Entity
Number (required)1489263. Funding Year
(required)1998

4. Complete Mailing Address of Billed Entity Applicant (required)

Street Address, P. O. Box or Route Number

City

State

Zip Code

P.O. Box 68MernaNE68856

10-Digit Phone Number

Fax Telephone Number

E-Mail Address

308-643-2224

5. Contact Person Information

Contact Person Name (required)

Rich Schlesselman

Mailing Address (required if different from Item 4)

Street Address, P. O. Box or Route Number

City

State

Zip Code

P.O. Box 68MernaNE68856

10-Digit Phone Number

Fax Telephone Number

E-Mail Address

308-643-2224308-643-2243rchless@genie.esu10.k12.ne.us

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

NOTICE TO INDIVIDUALS: Section 54.504 of the Federal Communications Commission's (FCC) rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Receipt of Service Confirmation Form (FCC Form 486) with the Universal Service Administrator, themselves or as part of a consortium. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254. The data in the form will be used to inform the Schools and Libraries Corporation that a billed entity, and/or the schools and libraries that it represents, has begun to receive service after receiving a funding commitment approval pursuant to FCC Form 471.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the personal information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government, is a party in a proceeding before the body or has an interest in the proceeding.

If you owe a past due debt to the federal government, the taxpayer identification number and other information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide this information to these agencies through the matching of computer records when authorized.

If you do not provide the information requested on the form, your application may be returned without action or your application may be delayed.

The foregoing Notice is required by the Privacy Act of 1974, Pub. L. No. 93-579, December 31, 1974, 5 U.S.C. § 552, and the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq.

Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden, to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, D.C. 20554.

Billed Entity Applicant's 486 Number (to be assigned by Fund Administrator)

Sandhills Technology-Telecommunication

Billed Entity Applicant Name Education Project Contact Name Rich Schlesselman

Billed Entity Number 148926 Contact Telephone Number 308-643-2224

Block 2: Services Received

6. For Shared Services and Site Specific Services

Provide the following information about the services received for which the billed entity applicant is paying

	(A) 471 Application Number (10 digits)	(B) Funding Request Number (FRN) (10 digits)	(C) Service Provider Name	(D) Service Provider Identification Number (SPIN) (9 digits)	(E) Actual Service Start Date (mm/dd/yyyy)	(F) Early Termination of Service Date (mm/dd/yyyy)	(G) Contract Extension Termination Date (mm/dd/yyyy)	(H) Cancel FRN (Yes/No)	(I) Applicant to Submit <u>Billed Entity Applicant Reimbursement Form</u> for Discounts on Eligible Services Received and Paid for in Full (Yes/No)
	(Required) From Funding Commitment Decisions Letter	(Required) From Funding Commitment Decisions Letter	(Required) From Funding Commitment Decisions Letter	(Required) From Funding Commitment Decisions Letter	IMPORTANT: Please see Instructions for Requirements for Columns (E), (F), and (G)			(Required)	(Required)
1	00025876	00025655	NEBCON Partnership	143006822	01/01/1998		05/01/2002	NO	YES
2									
3									
4									
5									
6									
7									
8									

Sandhills Technology-Telecommunication
Billed Entity Applicant Name Education Project **Contact Name** Rich Schlesselman
Billed Entity Number 148926 **Contact Telephone Number** 308-643-2224

Block 3: Certification

7. I certify that the technology plan(s) for the services received as indicated above have been approved by: (Fill in the name of each organization that reviewed and approved a technology plan for any eligible entity that is receiving services covered under this form; attach an additional list if necessary. If ALL of the FRNs listed herein are for basic telephone service only, write in "none" here.) (required to be completed)

each school and number and NDE

See Attached Sheet

8. I certify that the services listed above have been or are being provided to all or some of the eligible entities identified in the Form 471 application(s) cited above. I certify that I am authorized to submit this receipt of service confirmation on behalf of the above-named billed entity applicant, that I have examined this request, and that, to the best of my knowledge, information, and belief, all statements of fact contained herein are true.
9. I certify that I will promptly notify the fund administrator if any services received that are included within a funding request number identified in Block 2, Column 2 herein are terminated or canceled, resulting in the termination or cancellation of the fund administrator's obligation to pay invoices submitted by service providers for said services.
10. I understand that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the services receive an appropriate share of benefits from those services.
11. I recognize that I may be audited pursuant to this application and will retain for five years any and all records that I rely upon to fill in this form.

12. Signature (original ink signature required)
Rich Schlesselman

13. Date (required)
11/30/98

14. Printed name of authorized person (required)
Rich Schlesselman

15. Title or position of authorized person (required)
Superintendent Anselmo-Merna School/STEP Director

16. Telephone number of authorized person (optional)
308-643-2224

17. Address of authorized person (required)
P.O. Box 68 Merna, NE 68857

Page 3 of 3

FCC Form 486 - October 1998

A paper copy of this form, with an original signature in Block 3, Item 12 should be mailed to:

SLC-Form 486
P. O. Box 7026
Lawrence, Kansas 66044-7026

If sent by express delivery services or U.S. Postal Service, Return Receipt Requested, the form should be mailed to:

SLC-Form 486
c/o Ms. Smith
3833 Greenway Drive
Lawrence, Kansas 66046

SLC Funding Notification Synopsis for Application Number: 00025876

Funding Request Number:00025655 Funding Status: Funded
SPIN: 143006822 Service Provider Name: NEBCON Partnership
Provider Contract Number: C
Services Ordered: Ded Svc
Effective Date of Discount: 01/01/1998 Contract Expiration Date: 05/01/2002
Estimated Total Annual Pre-discount Cost: \$157,320.00
Discount Percentage Approved by SLC: 70%
Funding Commitment Decision: \$110,124.00 - Batch Approved Detail Line

Anders Bruha
a73- 581-6759



Anselmo-Merna Public School
P.O. Box 68
Merna, NE 68856
Phone - 308-643-2224
Fax - 308-643-2243



Members of the STEP consortium

Anselmo-Merna Schools	31-00010
Ansley public School	31-00024
Arcadia Public School	31-03120
Broken Bow Public School	31-00011
Burwell Jr. Sr. High School	31-04640
Loup Counts Schools	31-73120
Loup City Schools	31-73090
Sargent Public Schools	31-76410
Sandhills Public Schools	31-01570

Contact Person's Name Rich Schlesselman

and Phone Number: 308-643-2224

16. "Site Specific" Services. Internal connections not shared by multiple schools or libraries and dedicated ("private line") connections from only one school or library to an ISP or other end-user.

(1)	(2)	CONTRACT			(6)	(7)	Amount (See instructions about rounding)			(11)	(12)
SLC Number of Service Provider (Obtain from Service Provider)	Universal Service Control Number for Form 470 on which this is based	(3) Contract Number (if applicable)	(4) Award Date	(5) Expira- tion Date	Services or Products	Service Start Date	(8) Estimated One Time Pre-discount Cost	(9) Estimated Monthly Pre- discount Cost	(10) Estimated Total Annual Pre- discount Cost	Percent- age Dis- count (from Item 14)	School or Library Code (Listed on website)
NEBCO 143006822	8180000027378	C	05/01/92	05/01/02	Dedicated Services	01/01/1998		\$8,740.90	\$104,890.00	70.00%	See Attached s
					Internal Connections						
					Dedicated Services						
					Internal Connections						
					Dedicated Services						
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					Internal Connections						
					Dedicated Services						
					Internal Connections						

SLC Funding Notification Synopsis for Application Number: 00025876

Funding Request Number:00025655 Funding Status: Funded
SPIN: 143006822 Service Provider Name: NEBCON Partnership
Provider Contract Number: C
Services Ordered: Ded Svc
Effective Date of Discount: 01/01/1998 Contract Expiration Date: 05/01/2002
Estimated Total Annual Pre-discount Cost: \$157,320.00
Discount Percentage Approved by SLC: 70%
Funding Commitment Decision: \$110,124.00 - Batch Approved Detail Line

ATTACHMENT 5

NOV 19 '99 11:14

FROM NEBRASKA CENTRAL TEL

TO CONTELCO

PAGE.002/007

USAC

UNIVERSAL SERVICE
ADMINISTRATIVE CO.

SCHOOLS AND LIBRARIES DIVISION

Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

*Denial of funding
on page 4.*

Nebcon Partnership
Andrew Jader
PO BOX 700
GIBBON NE 68640-0700

November 09, 1999

Nebcon Partnership
Service Provider Identification Number: 143006822

Thank you for participating in the E-rate program for the 1999-2000 program year. This letter is your notification of our decisions regarding applications that listed your company's Service Provider Identification Number (SPIN) as providing service(s) eligible for discounts.

As was the case in program Year 1, there are a number of steps that need to be completed in order to implement E-rate discounts. In an effort to expedite the process of implementing discounts, we are providing detailed information regarding the status of your customers' requests for discounts in the form of a series of Funding Commitment Reports. Attached are reports of our decisions made to date for customers listing your SPIN in their Form 471 applications. Each report contains detailed information extracted from the applicant's Form 471 and well as an explanation of our decision regarding the request.

Also included is a guide defining the elements of a Funding Commitment Report. If you have questions regarding any decisions on the funding requests associated with your company's SPIN, please contact us in writing at: Question, Schools and Libraries Division, Universal Service Administrative Company, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. You may also call our Client Service Bureau at 888-203-8100.

NEXT STEPS

Once you've reviewed this letter, we urge you to contact your customers to begin any necessary arrangements regarding start of services, billing of discounts or any other administrative details for implementation of E-rate services. Applicants have also been encouraged to contact you regarding their E-rate commitments. Once they receive their Funding Commitment Decisions Letter(s) and service has started, applicants are required to complete and file a Form 486 notifying the SLD that they are currently receiving or have begun receiving services approved for a discount. We will send you a Form 486 Notification Letter when we receive a Form 486 from applicants who cited your SPIN and will also provide guidance on how to invoice the SLD for payment on discounts for services listed in the respective Form 486. See the enclosed notice for more details on next steps.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or service provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC) may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds.

NOV 19 '99 11:15

FROM NEBRASKA CENTRAL TEL

TO CONTELCO

PAGE.003/007

The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

We appreciate your participation in the E-rate and the work you are doing to connect our communities through telecommunications.

Sincerely,

Kate L. Moore
President, Schools and Libraries Division, USAC

Enclosures

EXPLANATION OF A FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each approved E-rate funding request featuring your SPIN. We are providing the following definitions.

- * **FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each line completed in Items 15 and 16 of your Form 471 once an application has been processed. This number is used to report to applicants and vendors the status of individual discount requests submitted on a Form 471. Applicants and vendors learned about FRNs when they received their Receipt Acknowledgement Letter and must use these numbers when completing the Form 486 and Invoices. An FRN will never be longer than 10 digits. If a FRN is shorter than 10 digits, applicants are advised to add zeroes to the front of the numbers to reach 10 digits when filing post-commitment forms.
- * **FORM 471 APPLICATION NUMBER:** A unique identifier assigned to a Form 471 application by the SLD (from Item 3b of the Form 471).
- * **FORM 470 USCN:** The Universal Service Control Number is a unique identifier assigned by the SLD to a Form 470 as listed in Item 15/16, Column 2 of the Form 471.
- * **NAME OF 471 APPLICANT:** Name of entity that applied to the SLD, from Item 1 of the Form 471.
- * **NAME OF CONTACT PERSON:** The name of the contact person from Block 1, Item 6 of the Form 471.
- * **PREFERRED MODE OF CONTACT:** e.g., phone, fax, E-mail or standard mail.
- * **PERTINENT CONTACT INFORMATION:** e.g., telephone number, fax number, E-mail address, or mailing address.
- * **FUNDING YEAR:** The funding year for which discounts have been requested.
- * **FUNDING STATUS:** Each FRN will have one of six definitions: "Funded", "Denied", "Partially Funded", "Funds Exhausted", "Unfunded", or "As Yet Unfunded". An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. That will generally be the level requested by the applicant unless the SLD determines during the application review process that some adjustment is appropriate, for example, a different discount percentage for that FRN than the Form 471 featured. A "Denied" FRN is one for which no funds will be committed, and the reason for that decision will be briefly explained in the "Funding Commitment Decision", and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation". In accordance with FCC program rules, FRNs are "Partially Funded" or "Unfunded", if the total amount of funds in the Universal Service Fund is insufficient to fully fund or fund all approved requests. If the Form 471 was received after all the funds in the Universal Service Fund were allocated and it was processed, the status will indicate "Unfunded - Funds Exhausted". "As Yet Unfunded" is a temporary status that would be assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for a particular service type at a particular discount level. For example, if the application included both telecommunications services and internal connections, the applicant might receive a letter with our funding commitment for its telecommunications requests and a message that its internal connections requests are "As Yet Unfunded". The applicant would then receive a later letter regarding our funding decision on its internal connections requests.
- * **SERVICES ORDERED:** The type of service ordered from the service provider, as shown

on Form 471.

- * **PROVIDER CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * **SHARED SERVICES INDICATOR:** This indicates whether the FRN was listed in Item 15 ("Shared" Services) or 16 ("Site-Specific" Services) of the Form 471 application.
- * **SITE IDENTIFIER:** This will appear only for FRNs listed in Item 16 of your Form 471. For public schools, the 12-digit NCES code you listed in Item 14 for this school site will appear here. If there is no NCES Code for an FRN in Item 16, the SLD-assigned entity number will appear here.
- * **EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT:** The first possible date of service for which the SLD will reimburse service providers for the discounts for the service. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- * **CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471. This is not applicable for tariff services.
- * **PRE-DISCOUNT COST:** Amount in Column 10 of Item 15/16, Form 471, as determined through the application review process. Please note that, during the Problem Resolution process at SLD, the amount in Col. 10 of Item 15/16 may have been corrected to conform to the information provided about Service Start Date and Monthly Costs.
- * **DISCOUNT PERCENTAGE APPROVED BY THE SLD:** This is the discount rate that the SLD has approved for this service.
- * **FUNDING COMMITMENT DECISION:** This represents the total amount of funding that the SLD is now reserving to reimburse service providers for the discounts for this service through June 30, 2000. This figure may be different from the Estimated Total Annual Pre-Discount Cost (Col. 10 of Item 15/16) times the Percentage Discount (Col. 11 of Item 15/16) in the 471 application. It may be lower because of an adjustment determined appropriate by the SLD, such as of the discount percentage, or a denial of discounts and, if so, the accompanying comment will explain this difference. The difference may also reflect a reduction from the request level made necessary by overall funding limitations, in which case the "Funding Status" above will indicate "Partially Funded" or "Unfunded". Whatever amount is listed here, it is important that you and the 471 applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts on only eligible, approved services actually rendered.
- * **FUNDING COMMITMENT DECISION EXPLANATION:** This entry may appear to amplify the comment in the "Funding Commitment Decision", if the discount request for this service is denied for reasons other than "Unfunded" or if the SLD determined that some adjustment to the request level was appropriate.
- * **TECHNOLOGY PLAN APPROVAL STATUS:** This indicates whether the technology plans of the entities included in the Form 471 application have received approval, or whether requests for approvals are pending. This is from Item 24 of the Form 471 application.

FUNDING COMMITMENT REPORT FOR SPIN: 143006822

Funding Request Number: 237457

Form 471 Application Number: 131643

Form 470 USCN: 842490000114241

Name of 471 Applicant: Sandhills Technology & Telecommunications Project

Name of Contact Person: Rich Schlesselman

Preferred Mode of Contact: EMAIL

Contact E-Mail Address: rschless@genie.esul0.k12.ne.us

Funding Year: 07/01/1999 - 06/30/2000

Funding Status: Unfunded or Denied

Provider Contract Number: C

Services Ordered: Telecommunications Services

Shared Services Indicator: Shared

Earliest Possible Effective Date of Discount: 07/01/1999

Contract Expiration Date: 05/01/2002

Pre-Discount Cost: \$104890.80

Discount Percentage Approved by the SLD: N/A

* Funding Commitment Decision: \$0.00 - Invalid telecomm. provider

Technology Plan Approval Status: Approved

ATTACHMENT 6

**Anselmo-Alma Public School**

P.O. Box 68
Alma, NE 68856
Phone - 308-643-2224
Fax - 308-643-2243



December 3, 1999

Letter of Appeal
Schools and Libraries Division
Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

RE: FRN 0000237457

Ladies and Gentlemen:

I am writing to appeal the SLD decision regarding Year 2 funding for telecommunications services for the Sandhills Technology & Telecommunications Project, Billed Entity Number 148926. (Please see above referenced FRN.)

The Sandhills Technology & Telecommunications Project (STEP) is a consortium of 9 rural schools located in the sandhills of Nebraska. In 1992, STEP entered into an agreement with two rural telephone companies for the provision of telecommunications facilities and services to be used for distance learning. A ten-year contract was signed in early 1992 by the consortium and its members and the two telephone companies, Consolidated Telephone Company (Consolidated) and Nebraska Central Telephone Company (Nebraska Central).

Both Consolidated and Nebraska Central are common carriers and, in 1997, were given eligible telecommunications carrier (ETC) status. Subsequent to signing the 1992 contract with STEP, Consolidated and Nebraska Central formed a partnership, NebCon, to facilitate the joint provisioning of service to the consortium's member schools.

In Year 1 of the E-rate program, STEP issued FCC Form 470 and, correctly, indicated it had a pre-existing, multi-year contract for these telecommunications services. Consolidated and Nebraska Central sought and received from SLD a Service Provider Invoice Number (SPIN) for their partnership, NebCon. STEP issued FCC Form 471 using the NebCon SPIN and showing NebCon as the service provider. The Year 1 application was approved and STEP received a 70% discount on the telecommunications services.

